



INVESTMENT FUNDS SERVICE CORPORATION PROGRAM

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

PURPOSE

To stimulate the mutual fund industry in the state by allowing those certified by the Department of Economic Development (DED) to utilize a more favorable state income apportionment method for tax purposes.

AUTHORIZATION

Sections 620.1350 to 620.1360 & 143.451, RSMo.

ELIGIBLE AREAS

Statewide.

ELIGIBLE APPLICANTS

A Missouri entity which:

- derives more than 50% of its gross income from management, distribution or administration services provided to or on behalf of an investment company; or
- derives more than 50% of its gross income from trustees, sponsors and participants of employee benefit plans which have accounts in an investment company; or
- provides management services as an investment advisory firm registered under Section 203 of the Investment Advisors Act of 1940.

APPLICATION/APPROVAL PROCEDURE

- Applications will be accepted by DED at any time of the year and will be approved on an individual, case-by-case basis, based on the performance of the company related to all program criteria.
- In addition to the application, an entity must submit the previous period's tax form MO-1120 or MO-1120S, past period employment information, and current employment information for all Missouri employees.
- To receive the income apportionment benefit, the approved certificate, issued by DED, shall be submitted to the Department of Revenue with the immediate year tax forms.

In making the determination for certification, DED shall consider historical and present factors including, but not limited to:

- Current and past industry employment growth and employment retention in the state;

- Salary levels of new or existing industry employment in the state;
- The income tax laws applied to investment funds service corporations in other states;
- Industry growth nationally and within the state;
- The prevailing conditions in the economy and financial markets;
- The competitive environment within the industry;
- The applicant's past certification and use of this program; and
- An applicant's size, structure and method of operation.

CONTACT

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